

M E M O R A N D U M

JANUARY 28, 1988

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: RICARDO MILLETT, ASSISTANT DIRECTOR FOR
NEIGHBORHOOD HOUSING AND DEVELOPMENT

SUBJECT: INFORMATIONAL MEMORANDUM REGARDING PUBLIC
HEARINGS FOR HOUSING CREATION PROPOSALS

EXECUTIVE
SUMMARY:

Information relevant to six (6) Housing Creation Proposals is presented herein. This information includes a brief overview of the proposals, the executive summaries of the proposals, and information regarding total linkage committed and total linkage expended to date.

I am pleased to submit for the consideration of the Board Housing Creation proposals for six developments representing 284 new units of housing, of which 67% will be affordable to low- and moderate income residents of the City of Boston. After reviewing the six proposals, the Neighborhood Housing Trust (NHT) voted on December 30, 1987 and January 12, 1988 to recommend approval of the proposals by the BRA Board. The six Housing Creation Proposals are for the Brooks School, the Lithgow Building, Langham Court, Parmelee Court, 76 East Berkeley Street and 400 Massachusetts Avenue, and Parcel C-2A1.

All of the housing developments are proposals for construction by non-profit or minority controlled organizations on public land owned by either the Public Facilities Department or the Boston Redevelopment Authority. Four of the proposals are competing for SHARP funding, and the NHT's approval of the Housing Creation proposals is conditioned upon SHARP approval. The SHARP deadline is in early January.

The four projects competing for SHARP funding are: (1) the Brooks School (gap financing provided by 125 High Street housing creation payment, site owned by the Public Facilities Department); (2) the Lithgow Building (gap financing provided by 101 Arch Street/Lincoln Franklin Place housing creation payment, site owned by the Public Facilities Department); (3) Langham Court (gap financing provided by 500 Boylston West Venture housing creation payment, site owned by the Boston Redevelopment Authority); and (4) Parmelee Court (gap financing provided by 500 Boylston West Venture housing creation payment, sites owned by the Boston Redevelopment Authority).

Each of these projects increases the supply of much needed affordable housing in Boston. Furthermore, each of the proposals has undergone an extensive community review process. We are pleased to say that these projects have the support of their neighbors.

An executive summary of each of the proposals follows:

- (1) One Twenty Five High Street Limited Partnership, developer of 125 High Street, proposes to commit up to \$1,616,925 (the uncommitted balance of its \$6,376,925 linkage obligation) to the Brooks Development Associates. The funds would be used to assist the Brooks School Community Project, a development which consists of 57 new units of limited equity cooperative housing of which 43 units would be affordable.
- (2) Lincoln Franklin Place, Ltd., developers of 101 Arch Street, proposes to commit its \$1.5 million linkage obligation to the Codman Square Housing Development Corporation. (The previous 101 Arch St. Housing Creation Proposal obligation, which used the linkage funds as collateral for Columbia Point MFHA bonds pending syndication, has been discharged.) The funds would be used to assist the rehabilitation of the Lithgow Building to produce 31 new units of rental housing, of which 16 units would be affordable.
- (3) Five Hundred Boylston Street Associates, developer of 500 Boylston Street, proposes to commit its linkage payments for the Western Component of the development, a total of \$2,975,425 over twelve (12) years, to the Four Corners Development Corporation and the York Bay Development corporation. \$1.7 million of the funds would be used to assist the Langham Court development, which consists of 84 new housing units, 56 of which would be affordable, to be built on SENHI Parcel RE-7B in the South End. An additional \$1.2 million has been earmarked for the York Bay Development Corporation's housing proposal at Parcels R12-A and R12-B to produce seventy-seven (77) units, of which fifty-one (51) are affordable.
- (4) The Beacon Companies, developer of Rowes Wharf, proposes to commit its remaining eleven (11) annual linkage payments, a total of \$1.94 million, to the Tenants Development Corporation (TDC). These payments would be used to leverage gap financing for TDC's proposed development on East Berkeley Street, a 35 unit homeownership development including 23 affordable units, also known as the SENHI "Fast Track" development. Any funds leveraged by the Rowes Wharf payments not used for the East Berkeley Street development will be used to subsidize the first year's rents for affordable units currently under construction by TDC on Massachusetts Avenue, a development of 59 units of which 39 units are affordable. Funds for the subsidy of subsequent years will be the subject of a second requested approval.

The funds would thereby assist in the creation of 94 housing units of which 62 units would be affordable to families of low and moderate incomes.

The Neighborhood Housing Trust voted to recommend approval of the above Housing Creation proposals at their meeting of January 12, 1988. Copies of the NHT votes are attached to the individual Board memoranda.

- (5) On July 16, 1987 the BRA approved a Housing Creation Proposal by the Raymond Group as developer for Navy Yard Biotech Associates Ltd. for the Building 149 development. The Housing Creation Proposal dedicated \$116,000 to the Charlestown Economic Development Corporation (CEDC) as a predevelopment expense loan for their proposed development of Parcel C-2A1 to produce 32 units of housing, of which 13 units are affordable. The loan was to be payable upon CEDC's securing of construction financing for the project. Due to unanticipated additional costs incurred to CEDC, however, it is recommended that this loan be converted to a grant at this time.

The Neighborhood Housing Trust voted to recommend approval of this amendment at their meeting of December 30, 1987.

The Authority voted authorization to schedule a public hearing on January 28, 1988 for these Housing Creation proposals at the January 14, 1988 Board hearing.

Also, attached are four tables summarizing the sources and uses (approved and before the board today) of housing linkage funds to date. Some key points illuminated in the tables include:

- * To date, 32 approved projects have committed to pay a total of \$45.8 million in housing linkage funds.
- * Previously, linkage funds totalling \$7.8 million have been used to assist five projects totalling 1595 new units of housing of which 1339 units (84%) are affordable (these figures exclude the interim assistance provided to the Harbor Point development at Columbia Point).
- * The Neighborhood Housing Trust voted on January 12, 1988 to recommend approval of six Housing Creation Proposals by the BRA Board (the six proposals are briefly described above). Not included in the summary table is the Charlestown Economic Development Corporation development of Parcel C-2A1 (units which are accounted for in the summary of grants awarded December 30, 1987, below), the proposals would dedicate \$8.2 million in linkage funds to assist in the creation of 284 new housing units, of which 189 units (67%) are affordable.

- * The Neighborhood Housing Trust voted on December 30, 1987 to award a total of \$1.2 million in linkage funds to six projects which will produce 200 new units of housing of which 138 (69%) are affordable, excluding the interim assistance provided to the Harbor Point development at Columbia Point.
- * The newly approved proposals would bring the total amount of linkage funds expended to \$17.2 million, or 38% of the \$45.8 million pool. These funds will assist 18 affordable housing developments accounting for 2079 new housing units of which 1666 units (80%) are affordable.

DIP PROJECTS: HOUSING LINKAGE SUMMARY

CONTRIBUTING PROJECT =====	TOTAL HOUSING PAYMENT =====
75 STATE STREET	\$3,075,000
ROWES WHARF	\$2,121,745
INTERNATIONAL PLACE-I	\$5,066,515
150-160 FEDERAL STREET	\$3,469,510
75-101 FEDERAL STREET	\$2,325,000
99 SUMMER STREET	\$800,000
HERITAGE ON THE GARDEN	\$445,000
500 BOYLSTON STREET-I	\$3,100,000
20 CUSTOM HOUSE STREET	\$220,055
745 ATLANTIC AVENUE	\$328,700
101 MERRIMAC STREET	\$329,175
101 ARCH STREET	\$1,500,000
INGALLS BUILDING	\$275,530
360 NEWBURY STREET	\$73,860
125 SUMMER STREET	\$1,742,225
733-751 BOYLSTON	\$60,000
73 TREMONT STREET	\$980,000
125 HIGH STREET	\$6,376,925
CHILDREN'S HOSPITAL	\$930,000
BRIGHAM AND WOMEN'S	\$22,255
BOSTON COLLEGE	\$322,270
HARVARD MED SCHOOL	\$72,500
BOSTON UNIVERSITY	\$152,460
CNY #33, 34, 38, 39	\$658,120
SCHRAFFT'S	\$2,442,440
280 SUMMER STREET	\$138,250
CNY #149	\$2,711,805
MASS GENERAL HOSPITAL	\$3,674,140
15 NEW CHARDON STREET	\$206,020
DEACONESS HOSPITAL	\$768,500
PORTLAND PLACE	\$663,420
116 HUNTINGTON AVENUE	\$763,465
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GRAND TOTAL	\$45,814,885

HOUSING CREATION ROUND 1
PROPOSALS APPROVED PRIOR TO 9/12/87
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CONTRIBUTING PROJECT	NOMINAL VALUE OF CONTRIBUTION	AFFORDABLE HOUSING DEVELOPMENT(S)	TOTAL D.U.s	AFFORDABLE D.U.s	PERCENT AFFORDABLE
=====	=====	=====	=====	=====	=====
101 Arch Street	\$1,500,000	Harbor Point	* 1,203	400	33%
150-160 Federal Street	\$3,565,000				
=====	=====	=====	=====	=====	=====
Ingall's Building	\$275,530	Fountain Hill Square	124	62	50%
Heritage on the Garden	\$445,000	O'Reilly School	32	32	100%
CNY Building 149	\$225,984	Casa Esperanza	25	25	100%
		CEDC/Parcel C-2A1	** 32	13	41%
125 Summer Street	\$250,000	180 Shawmut Avenue	40	27	68%
125 High Street	\$4,760,000	Granite Properties	938	938	100%
745 Atlantic Avenue	\$328,700	Back of the Hill	165	52	32%
Children's Hospital	\$930,000				
116 Huntington Avenue	\$763,465	Leighton Park (Tent City)	271	203	75%
=====	=====	=====	=====	=====	=====
TOTALS	\$7,847,608		1,595	1,339	84%

* NOTE: The Harbor Point units and dollars are not counted in totals, linkage funds were used as interim collateral and have been released for recommitment elsewhere.

** NOTE: Parcel C-2A1 units and dollars are not counted here to avoid double counting of units and dollars in the summary.

HOUSING CREATION ROUND II
 APPROVED BY NHT 1/12/88, BRA BOARD VOTE 1/28/88
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CONTRIBUTING DEVELOPMENT	NOMINAL VALUE OF CONTRIBUTION	AFFORDABLE HOUSING DEVELOPMENT	TOTAL D.U.s	AFFORDABLE D.U.s	PERCENT AFFORDABLE
125 High Street	\$1,620,000	Brooks School	57	43	75%
101 Arch Street	\$1,500,000	Lithgow	31	16	52%
500 Boylston Street -- West	\$2,975,425	Langham Court	84	56	67%
		Pardeelee Court	77	51	66%
Rowes Wharf	\$1,944,932	Tenants Development Corp	35	23	66%
CNY/Building 149	\$131,071	CEDC/Parcel C-2A1 *	32	13	41%
TOTALS	\$8,171,428		284	189	67%

* NOTE: Units for Parcel C-2A1 are not counted here to
 avoid double counting of units in the summary.

HOUSING LINKAGE CASH GRANTS
 APPROVED BY NHT 12/30/87
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SOURCE OF FUNDS	NOMINAL VALUE OF CONTRIBUTION	AFFORDABLE HOUSING DEVELOPMENT	TOTAL D.U.s	AFFORDABLE D.U.s	PERCENT AFFORDABLE
1987 Neighborhood Housing	\$370,000	Infill Housing	84	75	89%
Trust Housing Linkage	\$210,000	Bricklayers/CNY Parcel 4A	50	16	32%
Cash Receipts	\$79,000	CEDC/Parcel C-2A1	32	13	41%
	\$88,000	Habitat Housing	11	11	100%
	\$220,000	Monseigneur Lyons	11	11	100%
	\$200,000	Grove Hall	12	12	100%
TOTALS	\$1,167,000		200	138	69%

LINKAGE SUMMARY -- JANUARY 28, 1987
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	# Projects	Linkage \$'s	Total Units	Affordable Units	Percent Affordable
TOTAL HOUSING LINKAGE COMMITTED BY DEVELOPERS	32	\$45,814,885	N/A	N/A	N/A
HOUSING CREATION ROUND I *	7	\$7,847,608	1595	1339	84%
HOUSING CREATION ROUND II *	5	\$8,171,428	284	189	67%
HOUSING LINKAGE CASH GRANTS	6	\$1,167,000	200	138	69%
TOTAL LINKAGE EXPENDED	18	\$17,186,036	2079	1666	80%
PERCENT OF TOTAL LINKAGE EXPENDED TO DATE		38%			

* NOTE: Charlestown EDC received both housing creation and linkage cash grant funds for the development of Parcel C-2A1, but the project and its units are counted only once.

